

## **CHAPTER TWO**

### **REVIEW OF THE LITERATURE**

This chapter reviews the literature in related theories, concepts, and previous literature. The summary of the three main parts is as follows:

2.1 The Philosophy of Sufficiency Economy

2.2 Applications of the Sufficiency Economy

2.3 Related Works

#### **2.1 THE PHILOSOPHY OF SUFFICIENCY ECONOMY**

Having been bestowed by His Majesty the King in the graduation ceremony at Kasetsart University since July 1974, SE is the philosophy that provides the guidelines based on the middle path for Thai people on how to live their lives and behave themselves. The heart of SE stresses the importance of the keyword ‘sufficiency’ or the middle path.

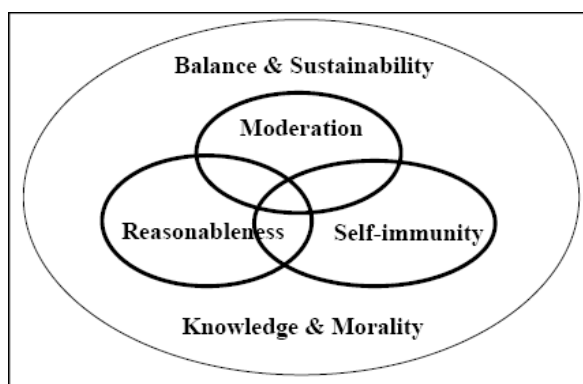
Several studies cited the definition of the keyword ‘sufficiency’ compiled from The King’s remarks in Thai into English, as noted here:

“...‘Sufficiency’ means moderation, reasonableness, and the need of self-immunity for sufficient protection from impact arising from internal and external changes. To achieve this, *an application of knowledge* with due consideration and prudence is essential. In particular, great care is needed in the utilization of theories and methodologies for planning and implementation at every step. At the same time, it is essential to strengthen the *moral fibre* of the nation, so that everyone, particularly public officials, academics, and businessmen at all levels adheres first and foremost to the principle of honesty and integrity.” (Department of International Economic Affairs, Division of Economic Information, 2007, p. 1; Priyanut Piboolsravut, 2004b, p. 128; กสพ

ส่งเสริมการเกษตร, 2550, น. 2-3; สำนักงานคณะกรรมการพัฒนาการเศรษฐกิจและสังคมแห่งชาติ, 2548)

The underlined part becomes the main constituents of SE, which are harnessed by the two underlying conditions in italics. The application of knowledge is required to determine whether the doings are reasonable and self-immune towards impacts of globalisation. At the same time, based on morality, they are steered away from immoderation. Figure 1 (Kantabutra, 2007, p. 5) depicts the relationship of the three components and the two other conditions of SE.

**Figure 1.** Conceptual framework of SE.



SE was simplified into the three keywords: moderation, reasonableness, and self-immunity so that Thai people could comprehend and conduct themselves through SE better. He recommended remembering only these three words when Thai people considered whether their behaviour was contrary to SE. In doing so, they had to ask themselves first if it was within their power to do something or if it was affordable. Second, it was sensible or worth doing, wasn't it? Lastly, they should be careful of the possibility of negative changes in the near and far future, that are hard to predict (สุเมธ ตันติเวชกุล, 2549, น. 284-285).

Kasem Wattanachai's study (อ้างถึงใน พิเศษฐ อุคมรัตน์, 2549, น. 293-294), apart from knowledge and morality, added one more condition which was the way of living that required honesty, perseverance, diligence, and caution.

Likewise, this study views that conduct in line with SE should be composed of moderation, reasonableness, and self-immunity, supported by knowledge and morality.

## 2.2 APPLICATIONS OF THE SUFFICIENCY ECONOMY

SE plays an important part in Thailand's economy especially after the economic crisis in 1997. Office of National Economic and Social Development Board (สำนักงานคณะกรรมการพัฒนาการเศรษฐกิจและสังคมแห่งชาติ, 2548) described the aim of SE towards the economic crisis as follows: *“The philosophy points the way for recovery that will lead to a more resilient and sustainable economy, better able to meet the challenges arising from globalization and other changes.”* (น. 9) Although SE, from this statement, mainly refers to economic matters, the scope of SE goes beyond that particular level.

As stated in the introductory part, SE is engaged in all levels of the populace. This study focuses on the influence of SE on the way of life of IT people. “For application domain, *Sufficiency Economy* is scalable, with ‘*universal domain applicability*’: individual, household, community, project business management institution, polity, society, nation state, region humanity and biosphere.” (Priyanut Piboolsravut, 2004a, p. 2)

SE can be put to use in the three primary areas of applicability: (1) individual and household, (2) corporate sector, and (3) economic policy (Department of International Economic Affairs, Division of Economic Information, 2007, p. 3). The following past papers are the results of being in line with SE, towards these three areas (News Division, Department of Information, 2007a, 2007b).

1) Applying SE to Individual and household results in reasonable consumption behavior and being moral and helpful with no expectation of something returned.

2) Applying SE to corporate sector results in being aware of risk, cooperation, and responsibility to society.

3) Applying SE to economic policy results in a stable and sustainable economy, fair competitive atmosphere, and self-immune and strengthened rural community.

Similarly, SE was considered as guidelines on behaving and living for all walks of life at all levels which could be divided into three levels: (Ampol Senanarong, 2004, pp. 5-6)

1) The family or individual level was where one should find an appropriate job in order to support himself and his family and be friendly to others.

2) The community level was where people should join events and activities in the community and cooperatively take part in decision making.

3) The national level was where the development process should be led to the balance while social, economic, and resource capitals and risks should be addressed.

Many economists discussed how SE should be classified: philosophy or procedure. Some viewed that based on the teachings of the Buddha, SE should be classified as a philosophy. In addition, the practicality of SE mostly depended on the first stage of the New Theory, focusing on the fact that agriculturists would become self-supporting. Moreover, the principle of SE could be applied to all kinds of economic activities. For example, greedy entrepreneurs wanted their business to be profitable. They risked building a large-scale plant even though there was no sufficient local material. However, others viewed that SE was the idea based on the practicable procedure. This was evidenced by the fact that His Majesty the King did it by himself according to SE through trial and error (คณะกรรมการสภาวิจัยแห่งชาติ, สาขาเศรษฐศาสตร์, 2546).

The apparent example of the SE applicability being put practice is the New Theory Agriculture which minimised the risk of uncontrollable natural world by being

consistent with SE (Priyanut Piboolsravoot, 2004a, p. 4; กรมส่งเสริมการเกษตร, 2550, น. 5-6). It proposed the step-by-step development process which had been implemented for people in order to enable the self-reliance at the different levels stated earlier (กลุ่มพัฒนากรอบแนวคิดทางทฤษฎีเศรษฐศาสตร์ปรัชญาของเศรษฐกิจพอเพียง, 2547). It aided a land owner in managing an agricultural land (Land Development Department, 1996). The process of development was divided into three phases according to the three domain levels to which SE could be applied (Ampol Senanarong, 2004, pp. 11-12). In the first phase, people were expected to become self-reliant, altruistic, and friendly to others. Once the state of self-reliance had been fulfilled, the second phase would be introduced. In this phase, people were prodded into participating in various activities in the group or community. When they came to the state of unity, the community would be strengthened and withstand impacts as well as risk being reduced. Lastly, the third phase would enable to build connections with other communities, large-scale businesses, government agencies, expanding the various forms of the cooperation.

Irrespective of any occupations, those who were outside the agricultural sector could follow the guidelines to being in line with SE for as noted here: (1) be moderate and stay on the middle path; (2) do not be materialistic; (3) be mindful in living their lives; (4) do not grow greedily; (5) live in unity and harmony; and (6) be merciful and contribute to a community so as to survive any catastrophe (สำนักงานคณะกรรมการพิเศษเพื่อประสานงานโครงการอันเนื่องมาจากพระราชดำริ, 2549, น. 21).

Furthermore, Suthawan Sathirathai and Priyanut Piboolsravut (2004) recited the other application of SE in building a healthy community with a few case studies such as The Royal Development Study Center and Poverty Reduction at The Royal Development Learning Centers located in different regions across the country, and Mairiang Community.

This study aims at finding out the applicability of SE in a way of life of people working in IT-related organisations at the individual and community levels.

### 2.3 RELATED WORKS

Previous research that studied the fundamentals, applications, and various aspects of SE are collected and discussed here.

Rungarun Kesawahong (รุ่งอรุณ เกศวหงส์, 2550) proposed and implemented the new working procedure which was indirectly consistent with SE to increase nursing productivity. She first managed to balance the budget and utilise the existing resources. Second, she gathered and analysed customer needs by quantifying the quality of nursing care by matching patients' needs to numbers and kinds of nursing personnel based on a unit of time. Third, the quality of nursing care provided to patients according to the new procedure would be examined and assessed. This resulted in staff competency. Not only did the new procedure help the hospital reduce costs and fully utilise resources, but the quality of nursing care was also geared to meet patients' needs.

Prasopchoke Mongsawad (2007) iterated a balanced way of living by featuring the three principles: moderation, reasonableness, and self-immunity, plus the two basic conditions: knowledge and morality. In addition, he stressed that the wide domain of SE applications varied from the individual level to the state level. Moreover, he pointed out that SE gave new ways to meet the challenges in the theory of development in the following areas: institutions, environment, human well-being, and the role of government. The ultimate goal of the invented model of development is to improve human well-being.

In Sooksan Kantabutra's study (2007), the literature relating to the SE applications in businesses in Thailand, including the practitioner-oriented one was theoretically and empirically reviewed. The review revealed that the Thai business sector in line with SE had improved enormously over the years. From the comparison and discussion of businesses in Thailand in line with SE and sustainable enterprises in the West, he derived the ten business practices consistent with SE which were ready to use without the need of re-interpretation. He ended with the discussion of policy implications.

Based on the modern web development framework, Web 2.0, Waltham (2007) discussed the influence of SE on the application software implementation to make people happy.

In summary, there are various kinds of research on the application of SE, but ones which focus on IT are rarely found. Although the last work reviewed refers to IT part, it discusses the technology rather than the human, not matching the objectives of this study.